

CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE

2007: A 21st CENTURY FARM BILL

THE CALIFORNIA PERSPECTIVE

LISTENING SESSION

MEETING ROOM

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SALINAS, CALIFORNIA

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1:15 P.M.

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

A P P E A R A N C E S

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Bridgett Luther, Director
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California Resources Agency

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California Environmental Protection Agency

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1 P R O C E E D I N G S

2 1:15 p.m.

3 COMMISSIONER LAURITZEN: Good afternoon. Can
4 everybody hear me all right?

5 I want to remind the Panel Members that these
6 microphones are live so there's no on/off switch, so be
7 careful what you say.

8 I'd like to welcome everybody to the Farm Bill
9 Listening Session held by CDFA, and my name is Eric
10 Lauritzen, I'm the Monterey County Agricultural
11 Commissioner. I've been here for about eight years by way
12 of Sonoma County and, and San Mateo County and Alameda
13 County. And a pleasure to be here and to co-host with
14 Secretary Kawamura this Farm Bill Listening Session.

15 I want to welcome everybody to Monterey County.
16 For those of you out of the area, I'm sure you enjoyed the
17 drive in. I know some of you made a special trip here, and
18 I really appreciate that. Monterey is known for its beauty,
19 tourism, coastline, Cannery Row, John Steinbeck, but here,
20 down in the Salinas Valley, "East of Eden", we know what
21 agricultural production is all about.

22 Monterey County boasts a nearly three
23 and a half billion dollar production value of agricultural
24 commodities, on the Central Coast about \$7 million, or,
25 yeah, \$7 million. Monterey County has about 44 crops that

1 exceed a million dollars in production value, with, with a
2 number of crops like leaf lettuce, strawberries, head
3 lettuce, nursery products, wine grapes, broccoli and spinach
4 kind of topping the list. We have about 225,000 acres of
5 irrigated agriculture, and I like to say that if, if the
6 open market price of lettuce fluctuates by a dollar a box we
7 see a \$50 million swing in production value in this county.

8 And I also like to compare with my colleague to,
9 to the north in the Napa Valley, known for their wine grape
10 production, that we produce a greater value in leaf lettuce
11 than they do wine grapes in the Napa Valley. That gives you
12 a sense of the, of the diversity and, and magnitude of the
13 agricultural industry here. In addition, we ship nearly 600
14 million pounds of produce to over 50 countries in the world,
15 making us a player in the world market. And so it is not
16 the beauty and coastline, although I love living here; it is
17 the agricultural industry, its diversity, the fine industry
18 and innovation of the growers here that, that brought me
19 here.

20 So first, I want to thank Secretary Kawamura and
21 his staff. There was a lot of work that went on to produce
22 this. It looked really exciting here about an hour ago,
23 trying to get everything set up. I'm honored to be one of
24 the panelists on this distinguished panel, listening to the
25 views of, of you as we approach the 2007 Farm Bill.

1 So I'll start out by introducing the Panel
2 Members. Of course, our distinguished Secretary, A.G.
3 Kawamura. It's a pleasure to have you here in person, and,
4 and visiting Monterey County. Although he's been to
5 Monterey County many times, this is the first time in our
6 facility, and we're pleased to have you here. He was
7 appointed Secretary of the California Department of Food and
8 Agriculture in November of 2003, and it's been my pleasure
9 to work with him in that capacity since.

10 He's a produce grower and shipper from Orange
11 County, where his family grows strawberries, green beans,
12 and other specialty crops. Secretary Kawamura is widely
13 known for his passion for education and his commitment to
14 the issues of hunger and nutrition, which obviously are
15 linked closely to agriculture.

16 Also, I had the pleasure of just meeting Bridgett
17 Luther, Director of the State Department of Conservation.
18 Ms. Luther was appointed by Governor Schwarzenegger as
19 Director of the Department of Conservation on September 1st,
20 2005. Prior to her appointment Ms. Luther served as the
21 Regional Development Director for Hands On Bay Area since
22 2004. In this capacity she managed fund-raising and
23 developed partnerships with a variety of public and private
24 entities. Ms. Luther also served as a member of the
25 Regional Water Quality Advisory Board for Mecklenburg

1 County, North Carolina. Wow, I didn't know that.

2 We appreciate you representing the Resources
3 Agency on our Panel today.

4 Also with us is Cindy Tuck, from CalePA. Governor
5 Schwarzenegger appointed Ms. Tuck as Assistant Secretary for
6 Policy at CalePA last September. In this capacity Ms. Tuck
7 works with CalePA Secretary Linda Adams and the CalePA
8 boards and departments on various environmental policy
9 matters, including needed changes to the Farm Bill relating
10 to air quality and water quality. She's a Licensed Civil
11 Engineer in California and is a member of the State Bar of
12 California.

13 Also like to introduce and welcome Mayor Anna
14 Caballero, also with us today, and it's a pleasure to have
15 her here. She is the first female mayor in the 126 year
16 history of the City of Salinas, who served seven years as a
17 City Council member, including four years as Vice Mayor.
18 She's been a strong advocate for the creation of affordable
19 housing, redevelopment of the historic downtown area, and
20 focused on the needs of meeting, meeting the needs of teens
21 and families. Mayor Caballero has continuously shown her
22 commitment to our agricultural industry here in Monterey
23 County, which is further evidenced by her being here today.
24 Thank you very much.

25 And now I'd like to turn over the microphone to

1 our Panelists for some opening remarks.

2 SECRETARY KAWAMURA: Thank you very much, Eric.

3 Thank you for welcoming us to not only the valley here, but
4 to this great facility. At the onset, I would like to chime
5 in where you just mentioned that a lot of work went into
6 putting not only this Farm Bill Listening Session but all
7 the series of sessions we'll have throughout the state, and
8 I wanted to acknowledge from our staff Nancy Lungren; our
9 Communications Deputy Secretary, Robert Tse, who's our
10 Director of Exports as well as really our liaison with the
11 USDA; Josh Eddy, Julia Blanton, Jonnalee Henderson and Zach
12 Young, who are all here today and did, have been working
13 really hard over the last couple of months putting these
14 programs together. And I just would like to say thank
15 you to all you guys.

16 (Applause.)

17 SECRETARY KAWAMURA: In addition, Eric, I, I
18 really want to thank you and all the Ag Commissioners. The
19 Ag Commissioners have such an important role to play as our
20 partners within the counties. They are in charge of so many
21 different things, and as well as being Agricultural
22 Commissioners, of course, they hold the office of sealers of
23 weights and measures, which is the oldest department of
24 government here in California. They used to have to know
25 how much an ounce of gold weighed so, of course, they needed

1 to have those weights and measurements to make sure how our
2 commerce system worked.

3 In, in addition to that, in the realm of pest
4 exclusion, in the realm of pesticide enforcement, in the
5 realm of just looking at being our eyes and ears in the
6 counties, if you will, they have that role of detection of
7 eradication and so many of the other things that make the
8 infrastructure of agriculture in place so that a county like
9 this, an area like this, can be such an enormous bread
10 basket. There is an infrastructure that's important. Part
11 of what we're talking about today with the Farm Bill is, is
12 just that, what is an infrastructure that allows and gives
13 California, let alone the rest of this country, a
14 sustainable future, a future that's vibrant and certainly
15 not under threat.

16 And so as we look at what that investment that a
17 nation makes in its farm policy today, one of the things
18 that we're trying to do is make sure that we understand the
19 breadth and scope of all the stakeholders which really, in
20 my mind, is the entire citizenry of the state, let alone the
21 country, that this is the nation's food supply coming out of
22 this state. And as we move forward, then, it'll be an
23 important part of what we do in making sure that we're not
24 missing those different dimensions of what agriculture
25 support is all about.

1 In addition, I'd like to recognize some of our
2 important guests here today. Dennis Braise. Is Dennis
3 here? I didn't see him. Yeah, Dennis Braise, the
4 Commissioner from Alameda County, and I think he's going to
5 be here soon.

6 Chris Keeler is the District Director from USDA
7 Farm Service Agency. Vivian Sofa is the County Executive
8 Director from Salinas, also. Vivian, good to see you.

9 Susan Forester, I don't know if Sue's here yet or
10 not, but she's with the Department of Health Services, runs
11 the California Five-a-Day. I have actually known her for
12 many years before being in this position as we struggled
13 with trying to make sure food was getting down to the school
14 levels, or down into the food banks, as well, and this idea
15 of eating Five-a-Day or Seven-a-Day or Nine-a-Day, we're
16 kind of excited with the idea of Nine-a-Day as a great boon
17 for California when we get there.

18 And also, then, I'd like to acknowledge Sonya
19 Hammond from the Cooperative Extension from Monterey County
20 here. And also Greg Haas, who works Louis Capp's,
21 Congressman Capp's office. And Greg, I, I think you just
22 walked in. There you are.

23 And then, in addition then, I'd like to also at
24 this time introduce Alec Aralgo, the District Representative
25 from our good friend Sam Farr. Sam has been a tremendous,

1 tremendous support for the agricultural specialty crop
2 industry and agriculture, agriculture in general. So Alec,
3 I know that you've got a few comments you'd like to make,
4 and if you'd like to go ahead and do that today.

5 MR. ARALGO: Thank you, Mr. Secretary. I, and
6 welcome to Salinas again. You seem to live here.

7 I, on behalf of Congressman Farr, want to thank
8 the state for engaging this activity. The Farm Bill comes
9 around, you know, every five, six, seven years, and it
10 typically in D.C. is dominated by the midwestern politics.
11 I personally worked on a farm bill in 1996 and to see
12 that first-hand, and if you just look at who's in the room
13 in the House Ag Committee, you'd think 90 percent of
14 American agriculture grew corn and wheat and, of course, we
15 know that the kind of crops we grow here represent at least
16 half, or more than half of U.S. agriculture output and so by
17 rights ought to have a big, bigger part of the policy-making
18 arm of that, of the Farm Bill, and it doesn't.

19 And part of that is what makes us strong, is our
20 diversity, and, and in Washington, that makes you weak
21 because you speak with a thousand voices as, as opposed to
22 corn, which speaks with one. And I think what the Secretary
23 is doing with this exercise this early is important, because
24 it's, it's trying to weave those thousand voices into, into
25 one. And I know that his predecessor, Secretary Lyons,

1 engaged in that activity in the last Farm Bill in trying to
2 link up with other states and, and that process had a lot of
3 -- laid a lot of groundwork, and I think a lot of those,
4 California, Arizona, Florida, we, we share similar
5 interests, and hopefully this time around we can have a,
6 speak with even more of a united voice and, and try to move
7 farm policy away from the, the traditional commodity crop
8 programs.

9 And it's, it's, those resources are there, and are
10 continually being sucked up with the commodity programs, and
11 it makes it harder to do things like the specialty crop
12 grant program, market development research, the kinds of
13 things that, that are more appropriate for government
14 involvement in agriculture, not simply paying farmers'
15 income. That's, that's what the market should do. But what
16 really the U.S. Government ought to focus on the kinds of
17 things like research that can help develop new varieties
18 that make us competitive in the world.

19 So thank you, Mr. Secretary, and welcome, again,
20 to Salinas.

21 SECRETARY KAWAMURA: What I'd like to do to
22 continue on those words is that when, and Eric, you
23 mentioned this as well, the, the huge amount of crops that
24 are grown in California, there are as many as we've been
25 using the 350 different commodities that are grown in

1 California. Recently I heard somebody write up that we've
2 got over 400 now and, of course, I don't know if that's
3 different varieties within a different family of crops, but
4 we'll see what that means.

5 It is true, though, we produce about 85 crops
6 exclusively here in California, and also -- I'm sorry, 12 of
7 these are, of the crops are exclusively to California, but
8 we're leaders in 85 different categories. Also, I'd like to
9 say we're leaders in a couple of other categories that don't
10 get much attention in this kind of a forum. We're probably
11 the number one users, or potentially should be the number
12 one users of food stamps, the number one users of the WIC
13 program, and the number one user of the school lunch
14 program. The nutrition title in, in the Farm Bill is an
15 enormous part of the Farm Bill, almost eating up half of the
16 Farm Bill's dollars of investment. It's almost \$100 billion
17 in its totality, and barely half of that is devoted to the
18 food programs, the nutrition investment that we make in our
19 nation.

20 And that being said, those numbers driven by the
21 awareness of what a healthy diet is is very important to
22 this Governor, it is very important to this state, and very
23 important to really the future of the whole state in terms
24 of the whole country as we look the near crisis that
25 certainly the Center for Disease Control, the Heart

1 Association, and the Cancer Society are constantly reminding
2 us of this healthier diet and lifestyle that we have to
3 live.

4 How does that play into a Farm Bill? Well, it
5 plays in nicely. All the different things that allow us to
6 produce these kind of crops, these kind of value added
7 crops, and this is the home of the value added product, are,
8 are facing tremendous challenges. Labor cost, cost of other
9 inputs. Yes, we do have the toughest environmental laws in
10 the nation, and we have those laws proudly. How do we get
11 value for those extra efforts? We have to create the safe
12 food supply. These are the kind of things that can come out
13 of a Farm Bill that help our farmers achieve these kind of
14 goals, reach these kind of plateaus, and actually lead the
15 rest of the state and the rest of the nation, and the rest
16 of the world, in terms of where our agricultural production
17 can go.

18 The Salinas session as a kick-off for the first of
19 these four Listening Sessions is very important, because I
20 just want to say please, please recognize that your
21 statements and your comments today in the different areas of
22 agricultural policy are extremely important. We are
23 listening, we want to incorporate those thoughts. We want
24 to make sure that this Farm Bill concept that California
25 will have in hand will be a guide book, if you will, for our

1 Congressional delegation of 53 Congressmen and two Senators,
2 that we have at this point been a tremendous voice, as Alec
3 mentioned, that is united. It would be wonderful to think
4 that as a state we will be all together in a package of Farm
5 Bill concepts that then we can take to Washington and
6 continue to push forward.

7 And so with that, I think I'd like to say let's go
8 ahead and get started. I want to thank you all for being
9 here, for taking your time to come and be part of this
10 conversation and this dialogue and, more importantly, part
11 of what will be the blueprint, if you will, for a Farm Bill
12 that California can proudly push forward and look forward
13 to.

14 Eric.

15 COMMISSIONER LAURITZEN: Thanks again, A.G.

16 I'd like to give the Panelists an opportunity to
17 say, make some opening remarks, and we'll start with -- who
18 are we going to start with -- Bridgett Luther, if you could
19 make some remarks.

20 DIRECTOR LUTHER: Thank you, Eric.

1 I'm here because I work for Mike Chrisman, who's
2 the Resources Secretary, and one of the things we're, we
3 really value farmland at the Resources Agency as part of the
4 environmental resource of the state of California. It's
5 just so, so critical to us. And within the Department of
6 Conservation I run two -- I run three programs. I run
7 Farmland Mapping and Loss Program, and by statute I have to
8 let legislators know every two years how much farmland we're
9 losing. And it's like painting the Golden Gate Bridge. I
10 barely, we barely get finished mapping part of the state and
11 we turn around and start mapping it again. And last year we
12 lost over 40,000 acres to development, fallow lands and that
13 kind of stuff, in the state of California.

14 As Eric mentioned, I moved here from North
15 Carolina not long ago. The last thing I did before I left
16 Mecklenburg County was buy a dairy farm, because Mecklenburg
17 County had been a dairy county and it was completely
18 suburbanized, and we thought it would be good to protect and
19 preserve one farm so the children of Mecklenburg County
20 would know where milk came from. And I see some of that in

1 California, but fortunately you have other good programs.
2 The Williamson Act is the other thing I do, and I'm very
3 proud to announce that Monterey County last year was
4 recognized for their regulation of the Williamson Act
5 actually in the four counties in the state of California.

6 We've also been a partner with this region and
7 with the California Farmland Conservancy Program which is
8 basically buying development rights, so if you were a farmer
9 and you wanted to sell your development rights you could
10 apply for a grant with the California Farmland Conservancy
11 Program. And in Monterey County alone, the state has, has
12 invested more than \$9 million protecting more than 5,000
13 acres, and we've gotten a match from our federal grants of
14 \$9 million, so just imagine through conservation title if we
15 were able to get \$90 million, what we could do, because when
16 I look at my prime farmland map, which we also produce in my
17 department, I see this little sliver of green that goes
18 right down the Monterey Peninsula, and I know that those are
19 three season crops, and I know this is really important not
20 only to California but to the rest of the United States.

21 So from my viewpoint, I'm very interested in
22 hearing your ideas on how conservation can play a part in
23 helping preserve and protect farmland, what communities find
24 important. I know that when I was driving down Veterans
25 Highway I saw a car lot right next to a lettuce field that I

1 guarantee you, that used to be a lettuce field. And I
2 really love lettuce, and eating a car just doesn't sound
3 that good.

4 So I have a real passion on this. Before I did a hands-on Bay Area,
5 the reason I'm here is
6 because I work for the Trust for Public Land, which is where
7 I met my husband. And land conservation is really my
8 passion. I'm very excited to work with all of you on that
9 issue around farmland, and we have had a good partnership
10 with our federal partners. I see some of them here in RCS.
11 A lot of that money that comes in is a match. I've got \$6
12 million right now, we're getting ready to sign an MOU, so
13 I'm hoping there's some of you that are planning to apply
14 for that, and really listening and hearing throughout the
15 state how the conservation piece can play a part in this
16 really, really important issue to the state of California.

17 Thank you.

18 COMMISSIONER LAURITZEN: Thank you, Director
19 Luther.

20 Assistant Secretary Tuck has some remarks.

21 ASSISTANT SECRETARY TUCK: Thank you, Eric. I
22 always enjoy coming to Monterey County. It's about the best
23 county in the state, I have to say. I'm from Illinois where
24 all that corn grows. But when I have relatives out they
25 definitely are brought to Monterey County. But I haven't

1 been to Salinas in a while, and I couldn't believe how many
2 exits there were off 101 to Salinas. I was just like, oh,
3 my goodness. So I need to spend a little more time here and
4 see how Salinas has grown.

5 But I also want to thank Secretary Kawamura for
6 your leadership on the Farm Bill work for California, and
7 CalePA is definitely committed to this process and we see a
8 lot of opportunities for the state, and it's really
9 important that the Secretary has brought the different
10 agencies to work together to have a common message as we go
11 to Washington.

12 I think most of you know that CalePA is a Cabinet
13 level agency. We have various boards and departments under
14 our umbrella. And when we started this work with CDFA, I
15 met with some of the boards and departments to find out, you
16 know, what were their suggestions as how we could make the
17 most of the Farm Bill for environmental work in California.
18 So I talked with staff at the State Water Resources Control
19 Board, staff at the Air Resources Board, and staff at the
20 Department of Pesticide Regulation, so I'm here representing
21 their views today, as well as the agency's views.

22 And one common theme I heard in talking to them
23 was we, California needs a increased and more equitable
24 allocation for the EQUIP program, and this is the
25 environmental incentives program under the conservation

1 title in the Farm Bill. So that's one thing that's already
2 at the top of our list, and that's a way to provide
3 incentive funding to farmers to help on air quality
4 challenges and water quality challenges that we know face
5 you and, and face the state of California.

6 So that's already on our list. I'm very
7 interested to hear, first of all, all of your comments, I, I
8 think I'll learn a lot today, but also any specific comments
9 you have about Farm Bill work relative to the environment.
10 Very glad to see Catherine Phillips here from Environmental
11 Defense, and early on in this process she brought some
12 comments to us about how the Farm Bill can help agriculture
13 and help the environment at the same time. And those
14 comments were very well received at CalEPA, so I'm glad
15 you're here today.

16 So with that, I thank everybody for coming, and I
17 look forward to hearing your comments.

18 COMMISSIONER LAURITZEN: Thank you for your
19 comments.

20 Mayor Caballero.

21 MAYOR CABALLERO: Thank you very much.

22 Well, I'm very proud to and pleased to welcome you
23 all to the Farm Bill Listening Session here in Salinas.
24 Obviously need to get you back down here more often so that
25 you have an opportunity to tour the community. We're very

1 pleased to be able to host this Listening Session, obviously
2 think this is very very important. Honored to be a Panel
3 Member, as well, so thank you very much for that invitation.

4 Agriculture obviously is a major industry in the
5 Salinas Valley, and we tend to look at things as the Salinas
6 Valley is separate from the Monterey Peninsula, and in the
7 Salinas Valley we're critically aware of the, of the needs
8 in a, in a number of different areas. Family farms are
9 still the backbone of the industry here in this area, and we
10 really have some of the most innovative industrialists in, I
11 think, in the country. Value added has revolutionized the
12 industry and, really, the juxtaposition of the value added
13 industry and the critical crisis that we have that the
14 Secretary mentioned before, obesity, diabetes and, and heart
15 disease, really make it an important time in this valley,
16 and also for our country, to look at ways to be able to
17 bring fresh produce to all of our constituents.

18 And so this is really, I think a really good time
19 to hear from people in this valley what can be done to help,
20 not only in terms of the, the growing of the produce, but
21 also in terms of the value added portion of it, as well.

22 So I'm, I'm very excited to have this be the first
23 hearing. I think you will find that people here have some
24 great ideas about how to make things better, and I'm looking
25 forward to the opportunity to listen to leaders in the

1 industry talk about ways that the government can help be a
2 partner, be supportive, and, and really help be creative in,
3 in this whole process.

4 So, welcome you all to Salinas, and thank you very
5 much for the opportunity to be here.

6 COMMISSIONER LAURITZEN: Thank you very much,
7 Mayor.

8 In, in lieu of opening remarks, I think I'll
9 provide my testimony and then turn it over to Steve to, to
10 finish up.

11 As, as the local Agricultural Commissioner I
12 really appreciate the opportunity to present testimony today
13 on the recommendations for the re-authorization of the 2000
14 Farm Bill on behalf of the Agricultural Commissioners and
15 Sealers Association of California. Again, I want to commend
16 Secretary Kawamura for holding these sessions to gain
17 knowledge and begin developing consensus on issues important
18 to California agriculture. It will be presented to our
19 federal lawmakers for inclusion in the Farm Bill debate.

20 One of the major areas of focus, and Secretary
21 Kawamura highlighted this and is a growing concern for the
22 County Ag Commissioners in California, is the increasing
23 incidences of new introductions of exotic pests affecting
24 agriculture and human health. Many of these pests are
25 introduced species that have become established despite the

1 best efforts of agricultural commissioners and CDFA to keep
2 them out. One example recently affecting Monterey County is
3 the glassy winged sharpshooter, who was introduced via an
4 undocumented shipment of landscape plants into the Pebble
5 Beach area and continues to be under intensive regulatory
6 efforts.

7 To date in California, we continue to battle
8 exotic pests and invasive species that threaten California's
9 \$31 billion agricultural industry. Exotic pest damage in
10 California agriculture amounts to an estimated \$3 billion
11 annually. Among the exotic pests of concern to agriculture
12 are Mediterranean fruit fly, red imported fire ant, glassy
13 winged sharpshooter that I mentioned, and another one
14 locally, sudden oak death, which is responsible for tens of
15 thousands of dead oak trees in Monterey County and
16 throughout California.

17 Yet we struggle with, while we struggle with these
18 various introductions of pests, USDA frequently will request
19 help from states and, in California, the County Agricultural
20 Commissioners, to investigate foreign shipments that contain
21 serious agricultural pests. These agricultural emergencies
22 require staff to be redirected from other inspection
23 programs in order to respond. In many cases, the foreign
24 products have been partially distributed before
25 investigation begins, and we rely on statewide rapid

1 response to respond to the potential threat of these
2 invasive species. This reactionary approach is not
3 effective for an ever-growing and critical challenge.

4 This is not a California only challenge. Whether
5 it's Bingham County, Idaho, combatting potato sis-nematode
6 or New Jersey and New York battling Asian long-horn beetle,
7 Indiana, Ohio, and Michigan fighting emerald ash borer, and
8 in Florida dealing with citrus canker, both the treasuries
9 of the state and the federal government are spending
10 millions, hundreds of millions of dollars to combat these
11 pests.

12 We do not seem to be gaining any ground in the
13 fight with these pests throughout the country. Consider
14 USDA's animal plant health inspection service that estimates
15 introduced plant pests result in an annual \$41 billion loss
16 to American agriculture and costs taxpayers millions of
17 dollars in control expenditures. Ironically, many state
18 agriculture departments have lost significant levels of
19 funding, and more losses are projected.

20 The California Agricultural Commissioners and
21 Sealers Association have been working in the past year, two
22 years, with the USDA and members of California's
23 Congressional delegation and others to proactively develop
24 solutions to these ever-growing challenges. The USDA
25 believes early detection of pests minimizes agricultural

1 production cost, enhances product quality and marketability,
2 and results in an abundant and affordable food supply, food,
3 fiber and plants and plant products for the domestic and
4 export markets, and we certainly agree.

5 Interception of quarantined pests and diseases at
6 points of entry is our primary defense against the
7 introduction and spread of exotic pests and diseases. If an
8 extensive pest detection and surveillance program is in
9 place when these pests are first introduced into California,
10 the spread of these pests and diseases will likely be
11 prevented.

12 Congressman Pombo, Richard Pombo, and Congressman
13 Jim Costa have introduced a bipartisan piece of legislation,
14 HR 4049 -- and I did leave some copies in the back if
15 anybody wants one, and if we run out you can leave your card
16 and I'll be happy to give you one -- the Early Pest
17 Detection and Surveillance Improvement Act.

18 The California Ag Commissioners and Sealers
19 strongly support this legislation. If enacted, the
20 legislation would establish an enhanced framework for USDA
21 cooperative funding agreements with states for pest and
22 disease prevention programs. Adequate funding will enhance
23 pest detection and surveillance programs to prevent diseases
24 and pests from becoming established and facilitate their
25 eradication, if introduced. For states that do not have a

1 pest prevention program in place, this funding would provide
2 an incentive to start a program, and by doing so will help
3 protect agriculture and the environment in their state.

4 While this legislation has been introduced, we
5 continue to seek input from industry groups that will
6 provide enhancements to the bill, and we are seeking HR 4049
7 to be included in the Farm Bill.

8 Put simply, this is, this effort is about an ounce
9 of prevention is worth a pound of cure, and so we urge the
10 Secretary and, and California to encourage support of HR
11 4049 and inclusion of that into the Farm Bill.

12 So with that, I'd like to turn it over to Steve
13 Lyle, who will handle the rest of the program until the
14 conclusion. Steve, let me -- Steve is the Division Director
15 for Public Affairs for the Department of Food and
16 Agriculture, and he's been responsible for making sure this
17 runs smoothly. I saw that he's got a little timer there, so
18 I'm sure he'll keep, keep a tight rein on people as we, as
19 we move through this. So thanks, Steve, for coming.

20 MR. LYLE: Thank you, Eric. I had to promise I'd
21 be nice before I was allowed to do this, so I'll do my best.

22 Thank you for being with us today. We appreciate
23 your willingness to participate in the process. Before we
24 get started, we thought maybe we'd go around the room and,
25 and introduce ourselves. Some of you have been introduced

1 already, but feel free to do it again.

2 Robert, why don't we start with you.

3 (Thereupon, all those present
4 introduced themselves.)

5 MR. LYLE: Thank you very much again. For those
6 of you who traveled, thank you for making that effort to be
7 with us today.

8 The rules are pretty basic. We're, we're going to
9 give you five minutes per speaker. We have approximately 15
10 speakers. I will give a 30 second call as you hit the 4/30
11 mark, and, and then at five minutes I will say thank you
12 very much for your comments. We ask that you please respect
13 the time limitations that we have so we can get through our,
14 our list of speakers as expeditiously as possible.

15 I'm going to call three speakers at a time with,
16 with the first speaker, of course, taking the microphone in
17 the center of the room, and then the next two knowing that
18 they're on deck and, and to use the baseball phrase, in the
19 hole. And keeping that in mind, let's start with Jim
20 Bogart, to be followed by Gary Peterson, and then Christine
21 Moss.

22 Jim.

23 MR. BOGART: Well, good afternoon, Mr. Secretary
24 and Panelists, new friends and old. My name is Jim Bogart,
25 I'm the President and General Counsel of the

1 Growers/Shippers Association of Central California. We're
2 an agricultural trade association that represents over 300
3 growers, packers, shippers, processors, and other businesses
4 affiliated with or connected to the agriculture industry
5 here on the central coast, and we've been around for over 75
6 years. And I have not been part of the organization for all
7 75 years, but sometimes it feels like it.

8 I'm going to limit my remarks today specifically
9 to specialty crops. I know that there are other items that
10 were to be considered for the agenda, but I think other
11 speakers can cover those areas.

12 I want to talk a little bit just in terms of
13 overview, which some of you know, and maybe some of you
14 don't know, but overall, specialty crops account for 50
15 percent of domestic farm gate crop value but receive very,
16 relatively little consideration in the current Farm Bill
17 programs. The Farm Bill should look more like United States
18 agriculture. In fact, USDA Secretary Johanns, in a
19 conference that I attended back in February, said, quote,
20 "The value of specialty crops is now equal to the value of
21 program crops, and it continued to grow over the last couple
22 of decades."

23 He, he went on to state that, with respect to the
24 Farm Bill, the largest three percent of farms receive 30
25 percent of the support program; 92 percent of commodity

1 program payments go to five crops. When combined, they
2 represent a quarter of U.S. production value.

3 I'm here to tell you that the specialty crop
4 industry is united in its advocacy of federal policies that
5 enhance specialty crop production and thereby address
6 overall agricultural competitiveness. At a time when our
7 nation has an agricultural trade deficit, the growth of
8 specialty crops can offer relief. Specialty crop producers
9 are united like never before to advocate programs in a
10 variety of areas such as research, conservation, and
11 marketing assistance that can improve our competitive,
12 competitiveness in the global marketplace.

13 Farm Bill programs can help consumers reach USDA's
14 new dietary guidance and foster a healthier America.
15 Specialty crops play an increasingly important role in the
16 federal government's dietary guidelines for Americans in the
17 case of fruits and vegetables calling for a doubling of
18 daily consumption. Yet the great majority of consumers
19 don't meet those goals. Farm Bill programs in areas such as
20 marketing or nutrition can help address this consumption gap
21 while at the same time fighting obesity, diabetes, heart
22 disease, and other national health priorities.

23 None of our recommendations contain direct
24 payments such as price supports. Specialty crop producers
25 do not want them. They distort the market, they can have

1 trade implications and foster inefficiency. Instead, we ask
2 Congress to thoughtfully consider our recommendations for
3 making the specialty crop industry more competitive and our
4 products more accessible for consumers here and around the
5 world. As you know, we're a substantial part of the United
6 States agriculture, and consumers both here and in export
7 markets demand high quality food products as disposable
8 income rises. Specialty crop exports improve our
9 agricultural balance of trade.

10 Long-term solutions that focus on research are
11 necessary to ensure competitiveness and sustainability of
12 U.S. specialty crop production. Specifically, a couple of
13 things I want to cover.

14 International trade. With increased government
15 regulation comes the responsibility to help producers
16 achieve cost effective compliance. Producers in other
17 countries enjoy much lower regulatory costs and lower labor
18 costs. This translates into a need for fewer international
19 trade barriers for USC -- USC, I've got USC on my mind for
20 some reason -- for U.S. specialty crop exports.

21 Restrictions on planting flexibility. As a matter
22 of fair competition those producers receiving domestic
23 support should not be permitted to plant the same crops as
24 producers who do not receive payments.

25 MR. LYLE: Thirty seconds, please.

1 MR. BOGART: Okay. Promote the health benefit of
2 specialty crops, prevention of pests and diseases, funding
3 should go into research, into prevention of pests and
4 diseases, and provide for surveillance and inspection of
5 domestic plant shipments between states, which is more cost
6 effective than mitigation.

7 Also, and, and I've got written remarks that I'll
8 submit, we believe strongly in conservation that should be
9 covered, especially with the EQIP Program, which I've
10 covered in my written remarks. Disaster assistance
11 availability is also important, that we'd like to see
12 covered. And finally, give the states the power to succeed.
13 The 2007 Farm Bill should expand the state bloc grants for
14 specialty crops program authorized by the Specialty Crop
15 Competitiveness Act of 2004. Every state's specialty crop
16 needs are different, and state departments of agriculture
17 are in the best position to be placed in the driver's seat.

18 Thank you for the opportunity to speak here today.
19 I'll provide each of you a copy of my remarks. Thanks.

20 MR. LYLE: Thank you very much.

21 Our next speaker is Gary Peterson, to be followed
22 by Christine Moss, and then Kari Bernardi.

23 MR. PETERSON: Good afternoon. I'm Gary Peterson,
24 Communications and Development Director at the Agriculture
25 and Land Base Training Association, headquartered here in

1 Salinas. ALBA is a non-profit organization that owns and
2 operates two organic farms in Monterey County totaling 305
3 acres. We have a local board of directors, and our mission
4 is to help farmworkers and other low income people to enter
5 farming by the -- through the development of small farm
6 businesses.

7 This year on 150 acres under cultivation on these
8 two farms, we have 25 beginning farmers, most of whom were
9 previously farmworkers, but also a whole variety of people.
10 We have a, there's a woman from Southeast Asia who has been
11 a, sort of a small scale serial entrepreneur in the San Jose
12 area, and she's growing Asian ornamental trees on our farms
13 out in Salinas and marketing those in her community in San
14 Jose.

15 I want to just bring up a couple of statistics and
16 then relate out work to specialty crops and, importantly,
17 opportunities for beginning and immigrant farmers in
18 California. The growth of Latino and immigrant farmers in
19 California has really been remarkable, and it's happening
20 nationwide. The number of Latino farmers in Monterey County
21 increased 70 percent from 1997 to 2002, according to the
22 USDA census of agriculture. Throughout California, the
23 growth rate among Latino farmers was 44 percent for that
24 period, and I understand it was 50 percent across the
25 nation.

1 In Fresno County, another example, Hmong
2 immigrants are largely responsible for the radical growth in
3 the production of what they categorize as Oriental
4 vegetables, the Ag Commissioner's office over there.
5 Production of Oriental vegetables in Fresno County more than
6 doubled from 7.3 to 15.7 million over two years, from 2002
7 to 2004. And here in Monterey County, we have a lot of
8 people who are finding incredible opportunities in specialty
9 crops.

10 One of the families that works a farm out at ALBA
11 is the Amparo Martinez family, Santa Rosa Farms. And they
12 actually recently, he, Amparo and all of his sons were
13 farmworkers eight years ago. Last summer they bought a farm
14 near San Juan Bautista through an individual development
15 account program, and we'll get to that in just a moment. And
16 if you're eating organic strawberries out of Trader Joe's,
17 that pack is done right here, eight miles south of where
18 we're sitting at this very moment, at least for this region
19 of Trader Joe's distribution.

20 We have a number of farmers that are finding
21 incredible opportunities to find markets that are selling
22 directly to restaurants and directly to other institutions,
23 growing to order, developing really innovative relationships
24 that bring the agricultural production and marketing right
25 into the interface with the public.

1 We have some specific policy ideas that we'd like
2 to mention today. Primarily, they're opportunities for
3 beginning farmers in relation to specialty crops. One
4 important opportunity is individual development accounts.
5 We have a representative here from California Farm Link,
6 which has started this process here in California,
7 individual development accounts for beginning farmers.
8 They've raised money from banks which matches the farmer's
9 personal savings to a certain sum. When it's fully
10 capitalized the farmer can use that, those proceeds to
11 purchase a farm or to purchase equipment, and that was
12 actually done in the Martinez family case. They used -- a
13 portion of their down payment was through an individual
14 development account program, and that is going to be an
15 initiative that's going to be advocated for in the federal
16 Farm Bill by family farm advocates nationwide.

17 Also, we'd like to encourage support for the
18 beginning farmer and rancher development program. It was
19 Section 7405 of the previous Farm Bill. That's Section
20 7405. It could fund credit and financing programs to bring
21 resources to beginning farmers in California. In the last
22 Farm Bill that was not funded through the appropriations
23 process that follows, of course, the, the development of the
24 Farm Bill itself.

25 We'd also like to bring attention to the outreach

1 and assistance for limited resource and culturally diverse
2 farmers. This is Section 2501, can support diverse efforts
3 statewide to assure that USDA programs are reaching all
4 types of farmers no matter their language or cultural
5 background.

6 And finally, I'd like to make mention of the
7 Farmers Market Promotion Program. ALBA was proud to be part
8 of developing the Old Town Salinas Marketplace here in
9 downtown Salinas. And we have a grant pending to try to
10 deliver some of those resources to Salinas. This year the
11 USDA had \$1 million nationwide for the Farmers Market
12 Promotion Program. They expect to make 16 grants from that
13 pool of money. It's a division of Ag Marketing Service, by
14 the way.

15 MR. LYLE: Thirty seconds, please.

16 MR. PETERSON: And this year our friend over there
17 said they received more than 350 applications from groups
18 nationwide seeking to promote their community farmers
19 markets, so we'd like to encourage support for those kinds
20 of initiatives to build linkages between farmers and their
21 communities.

22 Thank you.

23 MR. LYLE: Thank you very much for the comments.

24 Our next speaker is Christine Moss, to be followed
25 by Kari Bernardi, and I believe it's Brise Tencer.

1 MS. MOSS: Mr. Lyle, to avoid redundancy, the
2 Nutrition and Fitness Collaborative comments have been
3 incorporated into our Co-chair's remarks.

4 MR. LYLE: Okay. Thank you very much.

5 So now, Kari Bernardi, to be followed by Brice
6 Tencer, and then Susan du Verrier.

7 MS. BERNARDI: Hi. I also represent the Nutrition
8 and Fitness Collaborative of the Central Coast. I'm your
9 Co-chair for Monterey County, and also am the Director and
10 Program Coordinator for the Farm to School Partnership at
11 CSU Monterey Bay. And what we do is we promote healthy
12 eating, and we bring farm fresh foods into the schools, and
13 we really need the help of the USDA to continue bringing
14 money for these pilots so that we can bring garden based
15 nutrition education into the school systems, into our
16 universities, and also make linkages between our
17 institutions and our local farmers.

18 I didn't bring comment from the NFCCC or my group,
19 but I wanted to say our main things that we're working on
20 right now are direct delivery from small family farmers to
21 these institutions. Also, the farmers markets, building
22 more support for the already farmers markets that we have
23 here, and also building more in our low income communities
24 to make more access to culturally appropriate farm fresh,
25 healthy foods.

1 And I want your support in all of these things,
2 and if you have anything to do with farm to cafeteria
3 legislation, you know, we'd need help with that, too. And,
4 and I know a lot of our partners are in this room and all of
5 us are really working towards unification, like Jim said, to
6 bring our small family farmers, our bigger agricultural
7 businesses, and get on the same page where we can move
8 forward together.

9 So, thank you.

10 MR. LYLE: Okay. Our next speaker, Brice Tencer,
11 to be followed by Susan du Verrier, and then Hank Giclas.

12 MS. TENCER: Thanks. For those of you who don't
13 know us, the Organic Farm and Research Foundation is a small
14 non-profit charitable organization dedicated to enhancing,
15 expanding and improving organic agricultural production.
16 Specifically, we fund research in organic production, we
17 disseminate information particularly about production and
18 marketing methods to any grower doing organic or interested
19 in attempting to do organic transitioning, and we educate
20 the public about organic farming issues.

21 I think as many of you guys know, organic farming
22 is a really significant part of the California specialty
23 crop sector. It's growing quite rapidly, estimated to be
24 between two and two and a half percent of the U.S. retail
25 food sales currently. And particularly in this, in this

1 region, the organic specialty sector increased from about
2 nine million in 1991 to 108 million in 2001 in Monterey
3 County alone. So it's really huge.

4 And so we're really wanting to continue to look
5 towards how the next Farm Bill can better support the
6 competitiveness of organic specialty crops, and there's a
7 couple of important ways that -- still lacking. I really
8 would like to just iterate the fact that I think the 2002
9 Farm Bill made some really significant progress towards
10 better supporting organic producers, but they still tend to
11 be under-served by USDA programs.

12 There's a couple of main areas we're looking at.
13 One is research. I think organic producers in general, and
14 particularly those of specialty crops, find that one of
15 their biggest obstacles is lack of information. The USDA
16 spends a pretty huge amount of their budget on the research
17 extension programs, a very, very small percent of that, a
18 fraction of a percent, is dedicated to looking at
19 understanding organic systems.

20 A couple of program specifically I'd like to point
21 out. One is at the USDA's CSREES, and that is the
22 integrated organic program that was brand-new, created in
23 the last Farm Bill, and receives a pretty minuscule amount
24 of funding, about \$4.7 million a year, and has become, in
25 the couple of years since it's been initiated, the most

1 competitive of the integrated grant programs they run, just
2 through a huge demand, but the researchers found they wanted
3 to do this work, and growers demanding this information.

4 I'd also like to point out when I was talking
5 about research, the USDA's Agricultural Research Service is
6 always another priority of ours. It's kind of exciting to
7 be saying that here in Salinas, which is home to the only
8 all organic researcher at the Agricultural Research Service
9 in the country, although I've been excited to learn a
10 growing number of them in other locations are putting some
11 portion of their time into looking at organic systems. But
12 this really needs to be a focused effort overseen
13 nationally, a national program leader overseeing organic
14 research housed at the Agricultural Research Service and
15 coordinating research efforts to growers around the country.

16 I'm going to skip ahead off research real quick,
17 because one of you, I think it might've been you, Cindy,
18 mentioned interest in the Environmental Quality Incentives
19 Program. And I think it's an interesting opportunity to
20 look at that program. One thing that has gone under the
21 radar in a lot of places, but I think it's really
22 interesting, but about five states are now using funds from
23 the EQUUP program to fund incentive payments to growers
24 wanting to transition to organic production. That's a
25 really interesting use of that funds. I think states, just

1 Nebraska and Minnesota, Montana, and a couple of others, are
2 trying that to varying degrees of success. But it is a
3 model we're really interested in seeing replicated in other
4 states such as California and nationally. So I think the
5 years of transition period tend to be some of the most
6 difficult for producers.

7 There are also some measurements of soil quality
8 that are used by a lot of conservation programs which
9 prioritize practices like no till, et cetera, which is
10 difficult in the organic production system, but they do do
11 other soil conservation practices. So looking at how
12 conservation programs lay out different conservation
13 benefits is also of interest to us in the next Farm Bill.

14 MR. LYLE: Thirty seconds, please.

15 MS. TENCER: Wonderful. And lastly, I'd like to
16 say that there's a couple other existing programs out there
17 that could be refined to work a little better for the
18 organic sector. I think some of the crop insurance programs
19 under risk management agency don't always work as well for
20 the diversified specialty crop producers in general,
21 including organic. I think the adjusted gross revenue type
22 programs such as AGR and AGA alike seem to be working better
23 for organic specialty crop producers who may grow very
24 diverse array of crops need the covered based on previous
25 year's history, rather than county averages, which may be

1 lower than what an organic producer would receive.

2 But I just want to thank you all for the
3 opportunity to be here. It's really exciting to be talking
4 to our California community, where we have so much organic
5 production, about how we can work to make this next Farm
6 Bill better for our producers.

7 Thank you.

8 MR. LYLE: Thank you very much.

9 Our next speaker is Susan du Verrier, to be
10 followed by Hank Giclas, and then Jo Ann Baumgartner.

11 MS. du VERRIER: Thank you very much for the
12 opportunity to speak today. As I said before, I'm wearing
13 many hats. I'm representing the Food Bank for Monterey
14 County. I'm also here for Nutrition Network Five-a-Day
15 Program, for the Central Coast Hunger Coalition, and for the
16 Nutrition Fitness Collaborative of the Central Coast. And
17 the reason I'm wearing so many hats is because we all work
18 together collaboratively, and we are all here for some of
19 the same concerns.

20 We have three major things we'd like to bring up
21 quickly, in four and a half minutes, but I do have a hand-
22 out for you that will be a little bit more explicit.

23 The first thing will be about strengthening the
24 food stamp program. Food stamps falls underneath the Farm
25 Bill, and actually, in California alone the economy loses as

1 much as \$2.3 billion because of the food stamp process in
2 California. If we can change the process we can have people
3 who are eligible for food stamps be receiving food stamps.

4 Also, one of the things that comes under the food
5 stamp is the nutrition education program which is also known
6 as FSNE, Food Stamp Nutrition Education program. And we
7 need to get some clearer, better regulations on what is
8 nutrition education and the fact that it does not need to be
9 just to food stamp participants but to food stamp eligible
10 people. Everybody needs to know how to be utilizing those
11 beautiful fruits and vegetables we're growing in our, our
12 valley and in our state.

13 We also meet with Nutrition Ed. USDA right now
14 does not allow us to use any of the grant dollars to buy
15 seeds, dirt, or anything for a garden. Can you believe that
16 in this kind of state? We can do garden based education,
17 but we may not actually spend any USDA money on planting
18 anything. Well, if we want to encourage young people to
19 either be farmers, nutritionists, or just healthy, conscious
20 citizens, then they really should know how to grow food and
21 where it comes from; that it doesn't just come from the
22 local grocery store.

23 So we implore that you look at how FSNE is
24 written, and I'm sure if Sue Forrester had made it here
25 today she would've said the same thing, and that we need to

1 be able to incorporate a lot more garden-based education
2 with real hands-on and money for the tools that we need.
3 It's like saying you can go to school, but we can't buy you
4 a book. That's kind of the same equation.

5 With the food stamps, we would also like to say
6 that we would like to see that the application be made into
7 an easy application for seniors. We'd like to see the
8 application process streamlined. We would like to see legal
9 immigrants be eligible for food stamps. Right now the word
10 "immigrant" seems to have sometimes a very negative
11 connotation. We all forget that all of our families were
12 immigrants. And our legal immigrants need to be supported
13 and they should be eligible to have food stamps, and we
14 would like to see that be incorporated under the Farm Bill.

15 We would also like to talk about the support and
16 expansion of other emergency programs in the Farm Bill such
17 as TFAB, the commodity supplement food program, WIC, and
18 increasing the federal subsidy and reimbursement to national
19 school lunch and the summer food program. This is an
20 opportunity to get children at the formative years to have
21 salad bars. At the Alosar School District there's a salad
22 bar in every single one of those schools. Children are
23 learning to eat fruits and vegetables. Thanks to the Farm
24 to School Program as a partnership with our five-a-day, the
25 children are growing fruits and vegetables in gardens. Food

1 service department buys them from the children, and they
2 actually put them onto the salad bar. That's what farm-to-
3 school is about. We need to make sure this is available for
4 all the schools, not just certain schools in our state.

5 And also, we need to make sure that it's a
6 win/win. I find it very interesting that USDA has the
7 National School Lunch as a sister program and Food Stamp and
8 FSNE over here on the other side is a sister program, and
9 many times they're not talking to each other. And we need
10 to make sure that all of the nutrition programs under USDA
11 are talking to each other, they have the same message, and
12 that we are giving our children what they need so that they
13 can grow up and make healthy choices.

14 MR. LYLE: Thirty seconds, please.

15 MS. du VERRIER: And actually, I'm going to go
16 ahead and wrap that up. I'm not sure who I should give this
17 to, but I do have a hand-out for all of you. And again,
18 thank you very much for your attention.

19 MR. LYLE: Thank you very much.

20 SECRETARY KAWAMURA: Excuse me. Before you sit
21 down, Steve, can I ask a clarification. Did you say that
22 \$2.3 billion are not being accessed at the Food Stamp
23 Program currently in the State of California?

24 MS. du VERRIER: The California economy loses as
25 much as \$2.3 billion in additional federal funding each year

1 due to the obstacles in the food stamp application process.
2 So if the process was streamlined we most likely would have
3 more people eligible and receiving food stamps. And by the
4 way, just so that you know, that food stamps creates \$1.45
5 billion in farm income, 14,000 agricultural jobs, and 500
6 million farm sector value added. That would also increase
7 if we increased the eligibility. Out of the two million
8 people in California who receive food stamps, that's only 49
9 percent of the people who are eligible.

10 SECRETARY KAWAMURA: And that's a formula; is that
11 correct?

12 MS. du VERRIER: Yes.

13 SECRETARY KAWAMURA: So that if 100 percent of
14 the, those eligible accessed the program, that is an
15 entitlement that the country gives through the Farm Bill; is
16 that correct?

17 MS. du VERRIER: Yes, that's, that is correct.

18 SECRETARY KAWAMURA: Is it the same, the number,
19 then, or is it even less on the school lunch program that 45
20 percent of the kids that qualify for a free lunch are
21 accessing the program, and as much as 55 or 50 percent are
22 not? Is that number still correct, or is that --

23 MS. du VERRIER: Since I retired as a food service
24 director two years ago I'm not up on the percentages, but
25 when I was working two years ago that would be a correct

1 percentage. I'm not sure what they are right now.

2 SECRETARY KAWAMURA: Thank you very much.

3 MR. LYLE: Thank you again for the comments.

4 Our next speaker is Hank Giclas, to be followed by
5 JoAnn Baumgartner, and then Carey Cooper and Arianne
6 Rettinger.

7 MR. GICLAS: Thank you. Good afternoon, Mr.
8 Secretary and Members of the Panel. Again, my name is Hank
9 Giclas. I am the Vice President of Strategic Planning
10 Science and Technology for Western Growers. Western Growers
11 is a two-state organization representing growers, packers,
12 shippers of fresh fruits, nuts and vegetables in California
13 and Arizona. Our members collectively produce approximately
14 90 percent of California's fresh fruits, nuts and
15 vegetables.

16 We will be presenting at each of the Listening
17 Sessions. We appreciate the interest and efforts in
18 developing a California perspective. Today I'm going to
19 limit my remarks to Title 2, the Conservation. The
20 Conservation Title enacted in the 2002 Farm Bill has
21 invested more than \$2 billion annually in a variety of
22 conservation programs. But fruit and vegetable producers'
23 utilization of these conservation programs varies
24 dramatically depending on the diversity of production
25 systems, natural resource availability, and environmental

1 pressures that exist in regional and local growing areas
2 across the country.

3 Although there is evidence that sign-ups have
4 increased in recent years, participation in voluntary
5 conservation programs by fruit and vegetable producers
6 continues to be relatively low even in California, where
7 there may be an even greater need for broader utilization of
8 conservation programs. Our state has greater air pollution
9 regulation, water conservation and water quality challenges,
10 and more threatened and endangered species listed than
11 nearly any other state, yet we rank 28th of all states
12 receiving Farm Bill money designated for conservation and
13 pollution control.

14 The 2007 Federal Farm Bill offers an unprecedented
15 opportunity to address unmet needs of California agriculture
16 and our general population. With an appropriate re-tooling
17 to enhance program access, address priority environmental
18 and conservation concerns, and provide the technical
19 expertise to deal with the complex challenges, it is
20 anticipated that participation by fruit and vegetable
21 growers in conservation initiatives will continue to
22 increase.

23 Specifically, we are interested in expanding and
24 improving access to the Environmental Quality Incentives
25 Program, or EQIP. We are also interested in expanding the

1 conservation security program in removing the adjusted gross
2 income requirements of -- through the conservation title,
3 and improving access to technical assistance throughout
4 these programs.

5 Some of the more specific recommendations that we
6 would like to make under EQIP. Among all the conservation
7 programs, this is arguably the most effective and widely
8 used program for fruit and vegetable producers. Despite
9 increases in funding in the 2002 Farm Bill, the program is
10 still significantly over-subscribed in many states,
11 including California. Approximately 95 million in projects
12 were unfunded in 2004. Current program criteria can inhibit
13 the development and implementation of new systems and
14 technologies. We make the following recommendations to
15 enhance the effectiveness of EQIP.

16 First of all, conservation of ground and surface
17 water for irrigation should be added as a separate national
18 priority, rather than being included within the non-point
19 pollution category. We believe NRCS should be directed to
20 work with the land grant universities and other entities to
21 develop model programs for using EQIP funds to enhance
22 pesticide stewardship. EQIP's ability to address air
23 quality should be enhanced through partnerships with
24 stakeholders and establishment of new sub-program with its
25 own dedicated funding. The EQIP funding should be

1 increased to \$2 billion per year, and specialty crop
2 producers should have access to a mandatory 25 percent of
3 the total funding available under EQIP.

4 We also recommend expanding the scope and funding
5 for the Conservation Security Program. Conservation
6 Security Program provides funding for farmers and ranchers
7 who are providing conservation benefits through good
8 management practices. This program should continue to be
9 funded. Fruit and vegetable producers have been unable to
10 participate in the CSP to a significant degree because of
11 the limited number of watersheds currently available in this
12 relatively new program.

13 MR. LYLE: Thirty seconds, please.

14 MR. GICLAS: The concept of the program linking
15 payments to environmental performance is attractive to many
16 producers. The number of watersheds contained in the
17 program should be increased significantly, particularly in
18 states where farmlands are in environmentally sensitive
19 areas such as California.

20 Again, we will be submitting comments at each
21 session. We will be submitting written comments on the
22 different titles within the Farm Bill, and I will conclude
23 my remarks there.

24 MR. LYLE: Thank you very much for your comments.

25 Our next speaker is JoAnn Baumgartner, to be

1 followed by Carey Cooper and Arianne Rettinger, and then
2 Claudia Reed.

3 MS. BAUMGARTNER: Thank you. I'm JoAnn
4 Baumgartner with the Wild Farm Alliance. We're based in
5 Watsonville, not far from here. We're a national
6 organization that promotes agriculture protecting and
7 restoring wild nature. We envision farms that are
8 ecologically managed, that can integrate and support native
9 species and ecological processes. I have one comment on
10 energy, and the rest on conservation.

11 Subsidies should be structured to be a safety net,
12 not a guarantee, should support sustainable practices and
13 have flexibility to change if goals are not being met. The
14 public is tired of funding undeserving recipients and
15 unsustainable practices. Currently, ethanol producers are
16 making huge profits because, because -- I lost my place,
17 sorry -- because corn is cheap, taxes are almost non-
18 existent, and public dollars are being handed out.
19 Additionally, California ethanol plants are importing corn
20 from the midwest which is counter-productive, when corn
21 could be processed where it's grown.

22 Instead, California should consider subsidies that
23 go into making ethanol from the urban waste stream, cooking
24 down garbage to capture an immense amount of cellulose and
25 using it for ethanol production. Agricultural cellulose

1 grown in California could make up the difference. For
2 subsidies to work and the public to get its money's worth,
3 they should have goals attached to them with health,
4 defense, stewardship litmus tests instead of analyzing only
5 output.

6 So that was my energy comment. The rest are
7 conservation.

8 California needs more funds for conservation. Too
9 often, funds are authorized only to be cut short at
10 appropriation time when benefits are found. Conservation
11 projects address air and water pollution, maintenance of
12 healthy species before they become rare and need protection
13 by the Endangered Species Act. They comply with the World
14 Trade Organization's green payments, and help with carbon
15 sequestration. These are all quantitative values that
16 conservation areas hold in the rural landscape.

17 Another point. NRCS should be allowed to be
18 allocated more money for technical assistance. In the past
19 ten years, there has been a welcome increase in conservation
20 funds, but it has been predominantly for projects instead of
21 also increasing NRCS staff. This has turned their field
22 biologists into money obligators and account managers, and
23 has also helped -- and has also hampered the NRCS from
24 working with smaller farmers. Technical support has to be
25 increased.

1 Another point. High priority should be given for
2 landscape level goals, not piece-meal approaches.
3 Priorities should be set to get beyond the random acts of
4 environmental kindness. The biggest success comes when
5 working in a targeted area so there is connectivity
6 developed on the landscape. Different parts of the
7 watershed over time can be improved so no land is left out
8 of the funding picture.

9 Another point. Conservation security program
10 needs to be fully funded in California. A large portion of
11 conservation funds to reward farmers for good stewardship.
12 Currently, the majority of the hard fought conservation
13 moneys reward bad management, when these practices should
14 often be fined instead of receiving hand-outs. Despite a
15 broad base both for farmer and conservation organizations,
16 the CSP has been severely under-funded.

17 Another point. Specific conservation funds should
18 go to help dairies pasture their animals. Currently, one-
19 third of the U.S. corn crop is, is going into ethanol
20 production. As this conversion increases, California can
21 find that dairies' feeds costs are going to rise. Instead
22 of subsidizing a broken system that requires too many
23 antibiotics and causes too much groundwater pollution,
24 conservation incentives should be made available competitive
25 to corn prices -- competitive to corn prices, so that

1 dairies can pasture their animals. Pasturing increases the
2 health of the land, the health of the animals and its
3 products, and the health of the people.

4 MR. LYLE: Thirty seconds, please.

5 MS. BAUMGARTNER: Conservation funds should be
6 increased for water quality protection. California Regional
7 Water Quality Control Boards are making mandatory
8 requirements for farmers to have clean water leaving their
9 fields. Since these agencies are providing the hammer,
10 conservation funds to support the installation of grassed
11 waterways, hedgerows, sediment basins in riparian habitats
12 should be high priority carets provided by the Farm Bill.

13 Klamath farmers should be bought out instead of
14 receiving disaster payments. Many Klamath farmers want to
15 sell. Restoring salmon runs would bring in as much income
16 to the regions as what agriculture could ever realize. A
17 USGS report showed agriculture in the Klamath Basin
18 generated 100 million a year, compared to 800 million
19 created by recreation, and that restoring water to the river
20 could boost the last figure to three billion. The study
21 also determined that buying out farms and protecting the
22 land would create 36 billion in benefits at a cost of only
23 five billion.

24 MR. LYLE: Thank you very much for your comments.

25 MS. BAUMGARTNER: Can I have another minute?

1 MR. LYLE: Time, please. Thank you.

2 MS. BAUMGARTNER: Okay. In closing, I want to say
3 healthy landscapes equals healthy food, which equals healthy
4 people. Thank you.

5 MR. LYLE: Thank you.

6 The next speakers are Carey Cooper and Arianne
7 Rettinger, to be followed by Claudia Reed and then Catherine
8 Phillips.

9 MS. COOPER: Good afternoon. Thank you.

10 I work with the Santa Cruz County Resource
11 Conservation District, and we collaborate with the Natural
12 Resources Conservation Service and other organizations to
13 implement conservation practices, so I'll primarily be
14 focusing on conservation, and also some of the environmental
15 benefits.

16 The Farm Bill is integral to our partnership with
17 the NRCS and helps us to collaborate on conservation
18 practices. And I just wanted to sort of give you a brief
19 overview of how the Farm Bill is important to conservation
20 in Santa Cruz County.

21 We think a lot about EQIP when we think about the
22 Farm Bill, but there are other programs that are currently
23 being used in Santa Cruz County more and more that are in
24 need of continued funding, and that would be the
25 Conservation Reserve Program, the Wetlands Reserve Program,

1 and the Wildlife Habitats Incentive Program.

2 We're using currently the Wildlife Habitats
3 Incentive Program to fund some fish -- fish passage, fish
4 habitat improvement projects, and riparian habitat and
5 invasive species removal projects in our local watersheds.
6 There's also a strong need for technical and cost-share
7 assistance for horse facilities, for manure and erosion
8 control practices to improve water quality, and our city
9 relies heavily on the NRCS for technical assistance, but
10 there's still a strong need for funding assistance to
11 implement conservation practices at horse facilities, which
12 are not currently a part of the Farm Bill. And this is part
13 of the TNBL implementation strategies, and the NRCS
14 technical and cost-share assistance is, is crucial to
15 solutions.

16 In addition, there's a continuing need for rural
17 roads erosion control assistance for funding and technical
18 assistance. They have been identified in the Monterey Bay
19 National Marine Sanctuary Ag and Rural Lands Action Plan as
20 a priority, so we're talking about farm, ranch, and other
21 rural roads, old timber roads in the Santa Cruz Mountains in
22 need of erosion control practices to improve water quality
23 and fisheries habitat by reducing sedimentation in local
24 streams that drain into the sanctuary, and this is also a
25 team deal implementation strategy.

1 Thank you very much.

2 MS. RETTINGER: Just to re-introduce myself, my
3 name is Arianne Rettinger. I'm also with the Santa Cruz RCD
4 office. I just wanted to mention a couple other items that
5 the Santa Cruz RCD, as well as other RCDs throughout the
6 central coast are working on related to the Farm Bill
7 programs right now.

8 First of all, concerns about food safety and food-
9 borne illnesses -- sorry -- resulting from contact with
10 flood waters and/or wildlife are currently in conflict with
11 conservation planning and implementation efforts for
12 conservation projects on agricultural lands. In Santa Cruz
13 County, we're all collaborating on the Farm Bill projects.
14 We've already met with growers who were unwilling to
15 implement conservation projects or who were forced to remove
16 existing conservation projects due to concerns from buyers
17 that vegetation near crop land provides habitat for wildlife
18 that could lead to an increased risk for food-borne
19 illnesses in crops. As a result, growers are forced to keep
20 their field borders clear of vegetation in order to sell
21 their crops and remain economically viable.

22 This current perception is in direct conflict with
23 the implementation of agricultural practices and is making
24 it currently very difficult for the Santa Cruz RCD to work
25 on Farm Bill projects.

1 Also, I heard it mentioned previously, but there's
2 a strong need for additional engineering support for Farm
3 Bill programs. We currently have a challenge of getting
4 Farm Bill funded projects on the ground with limited NRCS
5 engineering staff. There is also an increased complexity in
6 the amount of paperwork involved with Farm Bill funded
7 programs, and that's providing a disincentive for growers to
8 enroll in Farm Bill programs.

9 Lastly, we have been part of one of many, now,
10 permit coordination programs in Santa Cruz County, and this
11 is a collaborative program with NRCS in which we are helping
12 to streamline the permitting process and therefore increase
13 conservation projects getting on the ground. It's basically
14 sort of a one-stop permit shopping so that farmers, when
15 implementing these conservation projects, do not have to go
16 all the different agencies. They can come to the RCD and
17 work with the RCD and the NRCS to get these projects on the
18 ground, and we want to see continued support for those
19 permit coordination programs.

20 MR. LYLE: Thirty seconds, please.

21 MS. RETTINGER: Thanks. We at RCD continue to
22 have a solution oriented approach to these needs, and what
23 we have found to be crucial to meeting all these
24 conservation needs under workload, funding and engineering
25 constraints is to continue to build and strengthen

1 collaborations between the RCD and NRCS. Our partnerships
2 have also been made very successful by a lot of the
3 organizations that are here today, and we just wanted to
4 thank you for your continued interest and commitment to the
5 Farm Bill programs.

6 Thank you.

7 MR. LYLE: Thank you very much for your comments.

8 SECRETARY KAWAMURA: Steve.

9 MR. LYLE: Yes.

10 SECRETARY KAWAMURA: Could I ask a question?
11 Could I ask this question of the previous speaker, who was
12 -- was it Kathy?

13 MS. COOPER: Carey.

14 SECRETARY KAWAMURA: Carey. Carey, you had
15 mentioned just real quickly something about the lack of
16 access for anything to do with equestrian activity in the
17 Farm Bill. Is that for California only, or do we know that
18 other states do use an equestrian component in accessing
19 Farm Bill --

20 MS. COOPER: I actually don't know the answer to
21 that question, but I know that it's not a part of the Farm
22 Bill in California. Is it national?

23 SECRETARY KAWAMURA: So no equestrian program
24 throughout the country is allowed to have an access to a
25 conservation title?

1 (Comments from the audience.)

2 SECRETARY KAWAMURA: Great. Thank you very much.

3 MS. COOPER: You're welcome.

4 MR. LYLE: Our next speaker is Claudia Reed, to be
5 followed by Kathryn Phillips, and then Tim Frahm.

6 MS. REED: Good afternoon, Secretary Kawamura and
7 guests. Thank you for this opportunity. My name is Claudia
8 Reed, and I'm the Policy Director of the California
9 Coalition for Food and Farming. We are comprised of 48
10 organizations, several of whom are here today, I'm proud to
11 say, that value sustainable agriculture and food systems.
12 Our core value is working with our members and others,
13 partners and allies on common ground issues to carry a
14 unified message to Congress about how important the Farm
15 Bill is and how much more value we need to accrue from the
16 Farm Bill here in California.

17 Thank you for sponsoring these Listening Sessions.
18 This effort is indicative of California's ability to work
19 together to talk about a very crucial issue and to go to
20 Washington, D.C., as many times as it takes to get the job
21 done.

22 I will be submitting written comments at the end
23 of this Listening Session process for your August 1st
24 meeting, and those will incorporate some of the comments
25 from various members of my own organization. So today, I'm

1 simply going to read to you a list of the, some of the
2 programs in the Farm Bill that we are interested on.

3 We recommend changes to the Farm Bill that will
4 improve the way knowledge about farming and food systems is
5 researched, developed, and delivered. We believe that
6 federal investment in research, development, and delivery
7 will ultimately strengthen farms, rural communities, and
8 consumers both in California and across the nation. Food
9 and farming works closely with our members, partners, and
10 allies on other Farm Bill programs that interconnect with
11 research, development and delivery.

12 Those programs include ideas such as expanding the
13 specialty crops grant fund, expanding funding to USDA, ARS,
14 Cooperative State Research, Education and Extension Service,
15 Economic Research Service, NRI, National Research Institute,
16 the National Ag Statistics Service, and other USDA programs.
17 We strongly support improving and expanding the Integrated
18 Organic Program; the Sustainable Agriculture Research and
19 Education Program; the USDA Integrated Pest Management
20 Program; funding for Land Grant colleges and universities
21 for their research priorities that resonate with our values,
22 of course. That's the important part.

23 We are working on rural development programs such
24 as Beginning Farmer and Rancher Development Program, the
25 appropriate technology transfer for World AROS program,

1 value added producer grant, individual development accounts,
2 and we are investing a lot of time in conservation programs
3 such as the Conservation Security Program, the Environmental
4 Quality Incentive Program.

5 We also have a segment of our organization that
6 represents the nutrition area that you heard talked about
7 today, and that happens to be my personal favorite. Those
8 are nutrition, health and food security programs such as the
9 Farmers Market Nutrition Programs, Farmers Market Promotion
10 Programs, Food Stamp Education Programs, and Farm to School
11 Programs.

12 I am going to end with that, and we will submit
13 written comments, and thank you very much for this
14 opportunity.

15 MR. LYLE: Thank you very much for your comments.

16 Our, our final three speakers of the afternoon,
17 starting with Kathryn Phillips, to be followed by Tim
18 Frahm, and then Jack Olson.

19 MS. PHILLIPS: I'm Kathryn Phillips, with
20 Environmental Defense. I have the feeling my job has been
21 done. I think you've heard just about everybody at some
22 point raise some support for more money to the conservation
23 title. About nine months ago several of us gathered in a, a
24 conference room for a day in Sacramento. Half the room was
25 -- included about six, six stubborn people representing

1 agriculture, the other half was six stubborn people
2 representing the environmental community. And over the next
3 nine months, we worked together to find where we could pull
4 some consensus together on what we thought could improve the
5 Farm Bill and, more importantly, bring more benefit to
6 California.

7 Interestingly, when you bring a bunch of stubborn
8 people together, what you, we ended up with was a lot of
9 common sense, and you've heard some of the remarks today
10 were actually the same kinds of remarks that we heard in
11 that meeting. We all agreed that you need to bring more,
12 more money into the EQUEP program and find a way to make it
13 work better for California. There are some technical
14 details in the EQIP program that, that, because of
15 California's higher value crops, because of California's
16 higher land values, make the EQIP program and some other
17 Farm Bill conservation title programs not work as well for
18 the state as they ought to.

19 Another thing that was already mentioned earlier
20 is, a number of times, is that we face more regulation in
21 this state than anywhere else. The great thing is that, you
22 know, three-quarters of Californians regard themselves as
23 environmentalists. We understand that you need regulation
24 to ensure that we have the environmental quality that we
25 want, but we also recognize, and certainly Environmental

1 Defense recognizes, and the environmentalists who are in the
2 room with the agriculturalists recognize that you need
3 incentives. It's not always easy to get to the, to the
4 perfect air quality situation or the perfect water quality
5 situation, and we think the Farm Bill offers an awful lot of
6 opportunity to provide more incentives.

7 You've already heard mention of, of a proposal to
8 have a sub-program within EQIP that addresses air quality
9 specifically. We think that's a very important addition.

10 Earlier, Bridgett Luther, you mentioned a special
11 affinity for protecting farmland and there, and one of the
12 things that came out of our, our group, our roll up your
13 sleeves group, as we called it, was the idea that we should
14 be including increasing the amount of money available for
15 the farm and ranchland preserve program. And part of, part
16 of that, in addition to increasing the funds, would be
17 tweaking it a bit the way the money is distributed to take
18 into account that in California, the state doesn't
19 necessarily go out and hold and buy the easements. The
20 money goes through conservation easement groups, or land
21 trust groups. And since California has a very active and
22 involved land trust organization throughout the state, that
23 makes a lot of sense. Integrated pest management was also
24 something we all agreed upon. Removing the adjusted gross
25 income limits for the conservation title is also something

1 we agreed upon.

2 And finally, one of the things that, that stands
3 out in my mind among the many things we agreed upon, was
4 that we need more research dollars, applied research dollars
5 to help farmers figure out, know how to meet regulatory
6 requirements. And we're finding, especially as over time
7 some of the, the funding for cooperative extension has
8 declined in the past, that there's been a gap, and one way
9 to fill that gap is to provide some more funding through the
10 Farm Bill to get more technical assistance to farmers.

11 Finally, I'll just say that we'll be submitting
12 the, the summary document of what we all came up to with the
13 agreement that the, the agriculturalists and the, the
14 environmentalists came to before the end of all the
15 Listening Sessions, but I wanted to bring some of those
16 points to your attention. And thank you very much for
17 holding this, I think this is a great opportunity for
18 California to get a lot of benefit.

19 SECRETARY KAWAMURA: Steve, can I make a quick
20 comment. I recognize that really we have talked about a
21 Farm Bill that's made up of a giant nutrition title, and
22 then the other half which is the different programs,
23 including conservation. And Kathryn's organization came
24 out with some interesting numbers to say that in the other
25 half, as I remember it being stated, in the other half of

1 the Farm Bill, not the nutrition title but the other half of
2 all those dollars in the different titled areas, California
3 ranks 46th in terms of what it receives out of that Farm
4 Bill. Is that the correct number, or am I off on that? Or
5 am I close?

6 MS. PHILLIPS: I think you're in the right
7 neighborhood. And, and it's almost any way you break it
8 down, whether you break it down per capita, whether you
9 break it down per farmland acre, or whether you break it
10 down per production value, and we have really high
11 production value in this state, we, we come down very low in
12 the rankings. We're, we're not getting anywhere near our
13 fair share, and if, if the money was distributed according
14 to any of those, those scales in the appropriate, or fair
15 way, California would rank in the top one or two places.

16 SECRETARY KAWAMURA: Thank you.

17 MR. LYLE: Our next speaker is Tim Frahm, to be
18 followed by Jack Olson.

19 MR. FRAN: Hi, good afternoon. My name is Tim
20 Frahm, San Mateo County Farm Bureau. I work with local
21 producers on the San Mateo coast, primarily on conservation
22 activities, and I'm here to advocate for a robust
23 continuation of the EQIP program. But I'm also hoping that
24 the new Farm Bill will envision a way to reduce the
25 roadblocks to conservation. And there's several roadblocks,

1 including permitting, which was mentioned by Santa Cruz
2 County Resource Conservation District. I applaud them and
3 the NRCS and Cooperative Extension and, and all of the
4 partners who have worked on a streamlined process, but it
5 only dealt with a small palette of the conservation
6 practices, which are designed by the NRCS.

7 We believe that permits are a difficult roadblock
8 for producers to, to comply with. When the NRCS signs a
9 contract with a EQIP holder, EQIP cooperator, it's
10 incumbent on the farmer or rancher to produce documentation
11 that he's got all the appropriate permits. In our area,
12 that's a blizzard of permits oftentimes for the structural
13 practices, which are designed by federal engineers, federal
14 soil scientists, federal biologists, all in compliance with
15 NEPA, and we believe that all of the conservation practices,
16 the conservation planning activities that are done in
17 part with the NRCS EQIP contracts, should be the basis of a
18 streamlined permit process for that producer.

19 And we know it's going to be extremely difficult
20 to suggest that for the entire United States, but we believe
21 that a pilot project is appropriate, and we would suggest
22 that the Monterey Bay Sanctuary area, those six central
23 county farm bureaus with waters draining into the sanctuary,
24 which has a robust stakeholder group, a robust partnership
25 of environmental folks and federal NRCS folks, and

1 cooperative extension and academics, may be an appropriate
2 pilot program, pilot project area.

3 We also think that finances are a roadblock to
4 conservation. Some years ago, probably a couple years ago,
5 there was an EQIP loan program that made it to Governor
6 Davis' desk for signature, and he line item vetoed it
7 because of, my understanding, some lack of language in one
8 of the propositions. I think it was Prop 50. But we
9 believe that some of the structural practices are still very
10 expensive, even though there's a 50/50 cost share. If there
11 was a revolving loan program for EQIP cooperators that
12 could use their contracts as collateral for the, for the
13 loan, if there was a low interest loan opportunity for those
14 cooperators to do some of the structural practices
15 envisioned by NRCS conservation practice, or planning, that
16 that would reduce that disincentive or that roadblock to
17 conservation.

18 We would really suggest that a little bit of
19 flexibility built into EQUPEP would also reduce some of the
20 roadblocks. One of the wonderful things about NRCS, I
21 believe, are local district conservationists who have a
22 pulse of -- a finger on the pulse of the conservation needs
23 of the producers in that specific area. If I would suggest
24 that maybe a small percentage, ten percent of the money
25 available through EQUPEP for each county or each district be

1 flexible enough so that the district conservationists could
2 identify specific yearly needs, programs, projects, then he
3 could dole out to producers to get conservation practices on
4 the ground quickly, that that would be a great incentive.
5 It would be a great reduction in that roadblock.

6 San Mateo County Farm Bureau has discovered that
7 with very small pots of demonstration project moneys, very
8 small, working directly with the producers we can achieve
9 tons of conservation activities and practices out there. I
10 think through NRCS that can be achieved.

11 A couple programs that, that may be -- that I know
12 would have value in our area would be some type of funding
13 for invasive plant and invasive weed eradication. I was on
14 a site yesterday with several agencies, beautiful riparian
15 area being overwhelmed by, among other things, by cape ivy.
16 It's difficult to envision removing it all right now, but we
17 said the same thing five years ago. If there had been a
18 little bit of funding five years ago, we could've got that.
19 Invasive weeds restrict surface waters, they invade
20 production fields. I think it's an issue to address.

21 MR. LYLE: Thirty seconds, please.

22 MR. FRAHM: We'd also love to see the EQIP
23 education program reinstituted. RCDs loved it. Producing
24 workshops for producers regarding EQIP, NRCS practices I
25 think are, are a great, great incentive to producing those

1 wonderful conservation activities which we're trying to
2 achieve.

3 So robust continuation of EQIP, and a reduction
4 of the roadblocks, and a couple of new programs. Thank you
5 very much.

6 MR. LYLE: Thank you for your comments.

7 Our final speaker this afternoon is Jack Olson.

8 MR. OLSON: Good afternoon, Secretary Kawamura,
9 Panelists, it's a pleasure to be here today, and I thank you
10 for coming out and giving us the opportunity. My colleagues
11 left a tough act to follow, but I have three additional
12 items that we'd like to add for consideration, the first
13 being full support for high risk pest exclusion and
14 continuity in programs when we do run into a contamination
15 problem.

16 I know many of us remember the sudden oak death
17 market closures of two to three years ago, which did greatly
18 impact the producers in San Mateo County. We had millions
19 of dollars of production lost because product could not move
20 equitably and equally out of our county because of sudden
21 oak death and borders and restraints and constraints that
22 were put up by several southern states precluding those
23 activities. Eight states didn't seem like a lot, but when
24 you understand the floral industry, as I've grown to
25 understand in my tenure with Farm Bureau, Florida is a great

1 central shipping point so with Florida closing their borders
2 to our product we basically not only lost Florida, but we
3 lost the entire eastern seaboard, other than with extreme
4 efforts on the parts of our producers to get product moved
5 and into other states.

6 We'd also like to see funding for development of
7 not only international but local and regional marketing
8 efforts to try and move our product and sell it in areas
9 closer to production so we don't have to depend upon or be
10 augmented or attacked by foreign production and foreign
11 competition. It would be great if we could sell all of our
12 product within 50 or 100 miles of where it's actually grown,
13 and with a state this size and the variety of products we
14 produce, those markets are probably very attainable and
15 accessible if we have the resources to enter into them.

16 And lastly, we'd like to encourage you to consider
17 additional funding for school garden-based projects. We
18 have a terrific project in Half Moon Bay with our local
19 Hatch Elementary School, where the students have developed a
20 garden-based learning program in partnership with Kaiser
21 Permanente. It's called the Healthy Eating and Active
22 Lifestyles Program, and as an augment to that we actually
23 have local restaurants buying the surplus production from
24 the students to afford them a little economic measure with
25 what they're doing in their product, as well.

1 We will follow up with our comments in writing,
2 and we again thank you for your time and listening.

3 MR. LYLE: Well, again, thanks to all for your
4 comments today, and, and for being here. We want to remind
5 you that we'll be posting the notes from this meeting on our
6 website in the very near future, www.cdfa.ca.gov. We also
7 are accepting written comments at the website until August
8 1st.

9 And with that, I will turn it back over to Eric
10 Lauritzen.

11 COMMISSIONER LAURITZEN: Thanks, Steve. To wrap
12 up, if any of the Panel Members would like to make some
13 concluding remarks, I'll start down at the far end, if Mayor
14 Caballero, do you have any concluding remarks, you're
15 welcome to make them.

16 MAYOR CABALLERO: I'd just like to thank everybody
17 for their testimony here today. A lot of overlap in, I
18 think, in some of the comments, and it's been very very
19 interesting.

20 COMMISSIONER LAURITZEN: Next down the road.
21 We'll save AG for last.

22 MS. LUTHER: Yeah, I'm just going to echo the
23 Mayor's comments. It's so fascinating, because there's just
24 so many places where the federal dollars could really make a
25 difference in what we're trying to achieve here in

1 California, so I hope we'll be successful as we work
2 together towards that goal.

3 COMMISSIONER LAURITZEN: And Ms. Tuck.

4 ASSISTANT SECRETARY TUCK: I think it should be
5 noted that we had Western Growers and Environmental Defense
6 saying a lot of the same things, and, and that's very
7 encouraging.

8 (Laughter.)

9 ASSISTANT SECRETARY TUCK: Fantastic. That makes
10 me all the more enthusiastic to work on this project. It's
11 great.

12 COMMISSIONER LAURITZEN: Secretary Kawamura.

13 SECRETARY KAWAMURA: Just want to make sure in
14 case someone might have been a walk-on late, if there were
15 any other speakers, anybody else that wanted to make
16 comment, I just want to at least make sure that we didn't
17 miss them.

18 Right here. Yes.

19 MS. HAMMOND: Thank you for that opportunity. I'd
20 just like to reiterate everything that you've heard
21 regarding speakers in terms of research. We heard about the
22 size of agriculture here, we heard about the diversity of
23 agriculture here, we heard about the intensity of
24 agriculture here, the diversity of ownership from small
25 farmers to large -- owners, types of growing.

1 And I would just like to point out that in
2 California, we have a crisis with trying to provide
3 farmers and nutritionists with adequate cooperative
4 extension advisors. Counties are competing against each
5 other for everyone having very viable, very viable requests,
6 but there's just not enough funding. And so when we're not
7 able to fund or place cooperative extension advisors, for
8 example, Monterey County has no transitional organic advisor
9 although our existing advisor, our existing five advisors do
10 work with the transitional organic community, we have no
11 nutrition family consumer science advisor here, and that
12 story is really repeated county through county in
13 California.

14 So I would just like to say that it's not really
15 the cooperative extension that loses, it's the local
16 economy, its farmers, its the health of the, of the health
17 of Californians and the nation, in fact, when we can't
18 provide adequate service because of lack of, of personnel.
19 And it comes to my point, is the antiquated allocation
20 system that the USDA has based on size of counties or
21 whatever. And again, I would suggest, as other people have,
22 that we do whatever we can to look at allocating USDA
23 dollars based on population and the size of the industry,
24 and the intensity of the industry, and the complexity of the
25 industry, rather than the system that we're currently using.

1 Thank you.

2 SECRETARY KAWAMURA: Sonya, for the record, could
3 you just state your name and your title?

4 MS. HAMMOND: Sonya Hammond, County Director of
5 Monterey County Cooperative Extension.

6 SECRETARY KAWAMURA: Thanks. Any others? Any
7 others? Phil, you don't want to say something back there?
8 Okay.

9 Well, I would like to thank all of
10 you for your comments, for your work in the different arenas
11 that you are working in. I say this until people get tired
12 of hearing it, but I do believe in it. We can all work away
13 in our different areas of expertise, in our different areas
14 of passion in these parallel efforts to make agriculture
15 better or make your community better, or making health
16 better. Parallel lines never meet, our concept, our
17 and our idea today is to create converging lines of
18 efforts of the same kind of emotional passions that we have
19 for the things that we believe in, but converge those
20 resource bases that we all work with so that we can arrive
21 at a vision of where California agriculture, let alone USA
22 agriculture, will be.

23 Historically, a Farm Bill has changed in this
24 country through crisis. It was created out of crisis, out
25 of the Great Depression, pushed along by World War II,

1 pushed along by the Cold War, pushed along by certainly
2 globalization is making us re-think how we shape our subsidy
3 programs. And currently, of course, there's other concerns
4 including things like global warming and the climate change
5 that will affect agriculture, not just the rising of waters
6 but how does that affect disease complexes, insect
7 movements, how does it affect predictable harvests. These
8 are the kind of things and kind of crises that we see.

9 Even the crisis in many parts of this country in
10 the rural communities that are finding themselves in the
11 past decade shrinking. There are some great hopes on the
12 horizon, and again, the future of an energy economy driven
13 out of agriculture. The future of, of finding this local
14 grown pattern of development where we can grow foods with,
15 within our local, local areas, the converging of the
16 nutrition arena, that's a crisis that we, we recognize this
17 here today. And certainly in, those of us in our Department
18 of Agriculture, the crisis in invasive species and the
19 crisis of non-native species showing up that can suddenly
20 shut you down in a quarantine, or create a food scare, let's
21 talk about avian influenza, for example. That kind of thing
22 where suddenly nobody wants to go out and buy certain kinds
23 of products, or go to the store and buy, go to a restaurant
24 and buy products because they're afraid of the food supply
25 or a food-borne illness of some sort.

1 These are the kind of things that are driving a
2 Farm Bill like this in this 21st Century. This is the first
3 21st Century Farm Bill if you, if you think about it, that
4 we can shape and create as we look forward to a sustainably
5 vibrant farm future. We like to call it a, a renaissance in
6 agriculture. I believe that that is, or the age of
7 enlightenment, if you will, this converging of the new
8 technologies that are there to help us achieve many of the
9 same goals that were mentioned today.

10 It's an exciting time. We talked about a glass
11 half-empty. We talk about a glass half-full. I prefer to
12 think that it's a glass half-full. We have tremendous
13 opportunities, and by the comments that you folks made here
14 today and the comments that we hope to get in the next
15 couple, in this next month, I do want you to know that,
16 interestingly, these same comments are being echoed
17 throughout the country. There's a tremendous attention
18 right now of looking at the, the future of this food supply,
19 the future of this agricultural system that we have here,
20 and the evolution of that system.

21 And I think it's exciting for us all, then, to
22 have a chance to participate in it. Please send in your
23 comments if you are, if you've made some comments and you
24 don't have them written up, we'd like to have those as
25 written documents. Your comments matter. Tell your friends

1 there's a lot of other, and I know all of you are very well
2 connected around the state, please encourage your
3 collaborators and those converging resource opportunity
4 friends out there to come and give us their comments, give
5 us their thoughts and, more importantly, help us shape this
6 next Farm Bill.

7 So, Eric, again, thank you for your participation
8 with all the Ag Commissioners. The work that you guys do is
9 under-appreciated, but it's critical. Thank you.

10 COMMISSIONER LAURITZEN: Thanks to everybody here
11 for coming. Thanks to Secretary Kawamura and his staff for
12 picking Salinas as the first spot on the, on the Listening
13 Session tour. I want to pay particular thanks to Mayor
14 Caballero, Ms. Tuck, and Ms. Luther. I think we should
15 recognize our Panelists for a great job, and listening and
16 taking the message back to USDA. Thanks very much.

17 (Applause.)

18 SECRETARY KAWAMURA: And, and I'd like to finish
19 with one, one really word of thanks to all the different
20 agencies that are represented here, and actually those that
21 aren't here, as well. The Governor really did mandate us as
22 a department, the Department of Food and Agriculture, to
23 help be the connecting agency, as would be expected, of what
24 a California Farm Bill policy would be. We've been working
25 very closely with the Department of Resource, the Resource

1 Agency, the EPA, California EPA, Department of
2 Labor in our state, and also the Department of Health
3 Services, through Kim Belshe, and also Department of
4 Education. We've been working with all of those, and we've
5 been mandated to work together to try and bring the
6 government level, or the agency level, those wish lists of
7 things that we would want to see in a Farm Bill for each
8 agency. And so it is a very, both the public and the
9 private sector really, again, bringing our thoughts together
10 to create something that will really be exciting for the
11 state.

12 So, again, thank you all.

13 COMMISSIONER LAURITZEN: I know that Bob Shram is
14 not the only tourist here, so make sure that everybody stops
15 and spends a lot of money in Monterey County, because we
16 have --

17 (Laughter.)

18 COMMISSIONER LAURITZEN: -- we need the bed tax.

19 Anyway, thank you very much, all, for coming.

20 Thanks.

21 (Thereupon, the California Department

22 of Food and Agriculture Listening

23 Session was concluded at 3:00 p.m.)

24

25

CERTIFICATE OF REPORTER

I, CHRISTOPHER LOVERRO, an Electronic Reporter, do hereby certify that I am a disinterested person herein; that I recorded the foregoing California Department of Food and Agriculture Listening Session; that thereafter the recording was transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said Listening Session, nor in any way interested in the outcome of said Listening Session.

IN WITNESS WHEREOF, I have hereunto set my hand this 18th day of July, 2006.

CHRISTOPHER LOVERRO

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